

4 FAM 600 GRANTS AND OTHER FINANCIAL ASSISTANCE

4 FAM 610 GENERAL POLICIES

*(CT:FIN-421; 04-24-2013)
(Office of Origin: CGFS/FPRA/FAFM)*

4 FAM 611 SCOPE, PURPOSE AND LAYOUT

(TL:FIN-360; 09-06-2002)

This chapter contains policies and regulatory information applicable to Federal financial assistance issued and managed by the Department. Included is information on financial terms and conditions, direct and indirect costs, payments and refunds, property and equipment, financial and program reporting, records and audits, project income, availability of funds, accounting for award of financial assistance, documentation requirements, monitoring, and closeouts.

4 FAM 612 APPLICABILITY

(TL:FIN-360; 09-06-2002)

The material in this chapter applies to the Department's financial management policies for administering Federal assistance both domestically and abroad. It is the single authoritative and comprehensive source for the Department's Federal financial assistance policies. Federal financial assistance issued by other agencies is governed by that agency's policies and regulations. Officers should refer to this chapter for all matters relating to Federal financial assistance financial management. Detailed procedures and processes for managing Federal financial assistance are contained in 4 FAH-3 H-600. Unless otherwise stated, references in 4 FAM and 4 FAH-3 apply to Department operations both domestically and abroad. Differences in application are indicated within the relevant subchapter or section.

4 FAM 613 AUTHORITY

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U.S. Department of State Foreign Affairs Manual Volume 4
Financial Management

(TL:FIN-360; 09-06-2002)

Authorities for financial management of Federal assistance are:

- (1) Public Laws:
 - (a) Public Law 95-224, Federal Grant and Cooperative Agreement Act of 1977; and
 - (b) Public Law 106-107, Federal Financial Assistance Management Improvement Act.
- (2) Office of Management and Budget Circulars:
 - (a) OMB Circular A-11, Preparing and Submitting Budget Estimates;
 - (b) OMB Circular A-21, Cost Principles for Educational Institutions;
 - (c) OMB Circular A-87, Cost Principles for State, Local and Indian Tribal Governments;
 - (d) OMB Circular A-102, Grants and Cooperative Agreements with State and Local Governments;
 - (e) OMB Circular A-110, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals and Other Non-Profit Organizations;
 - (f) OMB Circular A-122, Cost Principles for Non-Profit Organizations; and
 - (g) OMB Circular A-133, Audits of States, Local Governments and Non-Profit Organizations.
- (3) Other Regulations:
 - (a) JFMIP, Grant Financial System Requirements, and
 - (b) FAR 31.2, Contracts with Commercial Organizations.

4 FAM 614 DEFINITIONS

(TL:FIN-360; 09-06-2002)

Definitions applicable to Federal financial assistance are contained in 4 FAH-3 H-612.3.

4 FAM 615 FORMS

(TL:FIN-360; 09-06-2002)

- a. The U.S. Code (31 U.S.C. 3511) authorizes the U.S. Comptroller General, in consultation with the Secretary of the Treasury and the Director of the Office of Management and Budget, to prescribe the principles, standards, and related requirements for accounting, and associated forms for each Executive U.S.

Government agency.

- b. In accordance with 7 GAO, Fiscal Procedures, the Department of the Treasury has responsibility for all disbursement forms, both general and specific. The Department of State, however, is delegated responsibility for disbursement forms falling clearly within its functional area. Procedures for the use of a particular form are prescribed by the responsible U.S. Government agency.
- c. The use of standard forms is mandatory unless exempted by law or by the prescribing U.S. Government agency. Advance approval is required for adoption of U.S. Government agency forms in place of the standard forms used by the responsible agency. The prescribed form used in the application process is found in 4 FAH-3 H-631. The prescribed forms used in the vouchering process are found in 4 FAH-3 H-620. This list is inclusive, not exhaustive, and contains only the major forms used in the vouchering process.

4 FAM 616 PAYMENTS TO DOMESTIC-BASED RECIPIENTS OF GRANTS AND OTHER FEDERAL FINANCIAL ASSISTANCE AWARDS

(TL:FIN-360; 09-06-2002)

- a. The Federal government's Chief Financial Officers' Council (CFOC) has established a policy requiring each Federal agency that makes payments to recipients to adopt one of two Federal grant payment systems: the Automated Standard Application for Payment (ASAP) provided by the Department of Treasury, or the Payment Management System (PMS) provided by the Department of Health and Human Services (HHS).
- b. The Department has selected the PMS system and made it available to grant and cooperative agreement recipients who chose to make on-line cash requests and have established an account with a domestic bank. Use of this system will result in requested payment amounts, made within authorized limits, being transferred immediately to their bank accounts. By October 1, 2002, PMS will be the only electronic payment method available for grants. All other proprietary systems will be discontinued in accordance with the CFOC's decision.

4 FAM 617 THROUGH 619 UNASSIGNED